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NAVAL SEA SYSTEMS COMMAND

SeaPort Enhanced

Contract Overview
Portal Training

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Agenda

- **Contracts Overview**
  - Why SeaPort and SeaPort-e
  - Contract Characteristics
  - General Philosophy
  - Common Questions
  - The Portal
  - Training Suggestions

- **Portal Training**
  - Access
  - Purchase Request
  - Solicitation
  - Proposal Evaluation
  - Task Order Award
  - Task Order Administration
  - Reports
  - Field Activity Administrator Functions

Current Services Paradigm

- Required to meet OSD requirements for 50% of Service Contracting to be Performance-Based by FY05, now 100%
- Contribute NAVSEA's share of the NAVY's Strategic Sourcing budget realignment: $250M
- Needed a means to buy services as a corporation
- Integrate e-commerce principals into the acquisition process

SeaPort I

- Award of SeaPort I – 1 April 2001 to 21 MACs
- HQ centered Professional Support Services
- Contained a rolling admissions clause, caps on fees and pass-throughs, and a guaranteed savings clause for the conversion of tasks to performance based
- Savings estimated at 7-10% on previous acquisitions and immeasurable process savings – in some cases 25-30%
- Over $50M ≈ 70 days
- Under $50M ≈ 35 days

Warfare Center Paradigm

- Hundreds of contracts (approx. 450 contractors) for similar services for various Warfare Centers scattered around country
- No consistent acquisition policy or strategy across enterprise
- Significant duplication in procurement costs
- Limited strategic relationships
- Business Information is limited

SeaPort–e Strategy

- **Nationwide contracts for all Warfare Center service requirements**
- **Seven geographical zones**
- ***Task Orders to be competed in the Zone corresponding for the Principle Place of Performance***
- **Contractors awarded MACs with a single or multiple Zones**
- **NSWC Dahlgren is the current contracting office for the MAC, however each task must be competed by the activity that has the requirement**
- **While non-mandatory, NAVSEA and Warfare Center leadership have stressed the importance of use**

Contract Characteristics

- Five year base and two five year Award Terms - Total of 15 years
- Task orders that invoke Service Contract Act provisions must limit that effort to five years
- Only one MAC award per Company
- Rolling Admissions
- Cost and Fixed priced task orders permitted
- No Time and Material orders
- No Undefinitized Orders

Maximum Rates

- **Fee – Average 7.56%**
- **Pass Through – Average 3.46%**

  (Charge to administer subcontracts)
- **Guaranteed Savings – Average 3.66%**

  (Savings for conversion to Performance Based TOs)
- **Escalation – 3.68%**

  (Increase in rates from year to year)

CLIN Structure

- **Firm - First 5 Years of Period of Performance**
  - Item 0001 – Cost Type
  - Item 0002 – Fixed Price
  - Item 0003 – ODCs
- **Award Term One – Second Five Years**
  - Item 0004 – Cost Type
  - Item 0005 – Fixed Price
  - Item 0006 – ODCs
- **Award Term Two – Third Five Years**
  - Item 0007 – Cost Type
  - Item 0008 – Fixed Price
  - Item 0009 - ODCs

Contract Requirements

- Research and Development Support
- Engineering, System Engineering and Process Engineering Support
- Modeling, Simulation, Stimulation, and Analysis Support
- Prototyping, Pre-Production, Model-Making, and Fabrication Support
- System Design Documentation and Technical Data Support
- Software Engineering, Development, Programming, and Network Support
- Reliability, Maintainability, and Availability (RM&A) Support
- Human Factors Engineering Support
- System Safety Engineering Support
- Configuration Management (CM) Support
- Quality Assurance (QA) Support
- Information System (IS) Development, Information Assurance (IA) and Information Technology (IT) Support
- Ship Inactivation and Disposal Support
- Interoperability, Test and Evaluation, Trials Support
- Measurement Facilities, Range, and Instrumentation Support
- Acquisition Logistics Support
- Supply and Provisioning Support
- Training Support
- In-Service Engineering, Fleet Introduction, Installation and Checkout Support
- Program Support
- Administration Support

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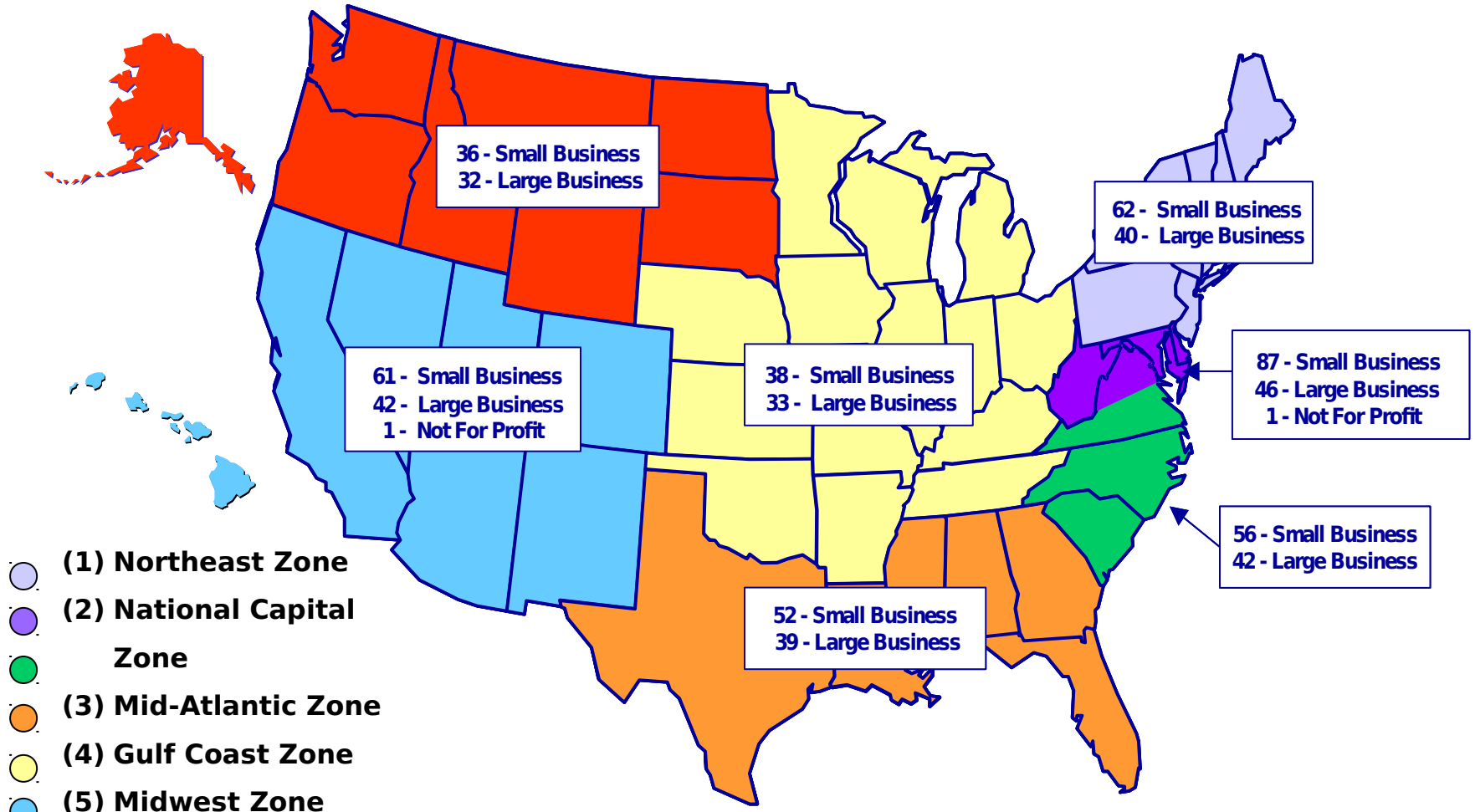
Zones



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Why a Zone approach?

- Preserves local vendor base
- Encourages small business participation
- Provides for future organization and management initiatives
- Facilitates contract organization/administration (rolling admissions and small business participation)

Rolling Admissions

- **MAC awards to new companies may be made when it is determined that a specific Zone(s) has met the criteria**
- **Common criteria**
  - ***Small Business Participation (Lesson Learned from SeaPort)***
  - **All requirements are fulfilled**
  - **Quality of performance by each Prime**
  - **Additional scope of effort are required**
  - **The need to increase the ceiling value of the contracts**
  - **Number, value and complexity of work assigned to each Prime**
  - **Adequate competition**
  - **Transaction costs for issuing orders**
- **Common schedule to evaluate criteria**
- **Admissions may be opened for select groups of requirements only or types of business, e.g. small business**

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Administration

- **Zone Coordinator responsibility includes:**
  - Local industry liaison
  - Conduct Industry Days
  - Ensuring Small business participation is sufficient
  - Ensuring competition is healthy
  - Ensures that tasks are being developed objectively

- **Activity Ombudsman (Competition Advocate/Deputy for Small Business) responsibility includes:**
  - Protest/Dispute Resolution
  - Review Bundling Complaints
  - Review Exceptions to FASA

Small Business Strategy

- **Zone based strategy encouraged small business participation at prime level**
- **68% of MAC Awards to Small Businesses (103 of 151)**
- **MAC Small Business goals:**
  - **33% of obligated dollars will be awarded to small business primes**
  - **20% of obligated dollars to large businesses will be subcontracted to small business**
- **Actual subcontract performance a factor in Task Order evaluations and Award Term decisions**
- **Specific subcontracting goals and actuals should be obtained on each TO**

Small Business Strategy

- Each Task Order reviewed by each Deputy for Small Business for potential set asides
- Government will reserve the right to set aside any requirement – must be noted in the TO Solicitation
- Two Types of Set Asides
  - Complete Set Aside – 100% SB Set Aside
  - Cascading Set Asides – If the Government receives at least two proposals from small businesses, the Task Order will be set aside for only Small Business
- 8(a) Set Asides and SBIRs should not be awarded through SeaPort

General Philosophy

- **Continue current processes as appropriate**
  - **Source Selection**
  - **Acquisition Plans**
- **Not a schedule program – no connection with GSA**
- **Provide each contractor a Fair Opportunity to Compete through competition - notify all contractors of solicitations**
- **Use the Portal for all Task Orders – its always available**
- **Technical community develops as much of the PR as possible before sending to Contracts**
- **Use Performance Based SOWs as much as possible**
- **Document source selection decisions and determinations**
- **Use two-step source selections if lots of offers are expected to quickly eliminate unqualified proposals**

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The Portal

- Developed in 2001 for SeaPort and enhanced in 2004 for SeaPort-e
- Fully integrated, secure, on-line, e-commerce tool
- Available from any internet enabled computer in the world – fully NMCI compliant
- Must register - www.seaport.navy.mil
- Developed and managed by Aquilent
- Complete process – requirements determination through close-out
- Solicitations are posted to “Auction Services”
- Phase II of SeaPort-e enhancements includes interface to SPS-PD2

Common Questions

- **Can I still have locality requirements?**
  - Yes, place all unique requirements in Sections L and M.
- **Do I need to document the acquisition?**
  - All source selection decisions and rationale must be documented using current approval thresholds.
- **Can I incorporate CDRLs?**
  - SeaPort model is to incorporate data requirements in SOW, but CDRLs can be incorporated.
- **Must I convert to a Performance Based Task Order?**
  - No. Performance Based contracting should be used where appropriate and/or required.
- **Are Contractors limited to only a set of requirements?**
  - No. They may propose on any of the 21 disciplines.

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DD 350

- The Portal incorporates all applicable DD 350 information from the MAC level contract
- All information dependent on the Task Order/Task Order Modification level is editable within the Portal
- DD 350 are rolled up in the Portal according to UIC and submitted via the system
- No additional paperwork for Warfare Centers

Training Suggestions

- Not everybody will find every process or example particularly relevant – training is an overview of the entire process
- Portal has been developed for use by all activities
- Auction Services – COTS system
- Search the Portal for examples
- Technical help:
  - Navseasupport@aquilent.com
  - 301-939-1275
- Acquisition help:
  - www.seaport.navy.mil